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#### REMARKS

Applicant thanks Examiner Henderson for the telephone conferences on June 13 and 15, 2005, and for his thoughtful consideration of this case. This Application has been carefully reviewed in light of the Final Office Action mailed February 25, 2005 and the Advisory Action mailed May 12, 2005. To clarify various aspects of inventive subject matter, Applicant amends Claims 7, 15, 16, and 23. Applicant also cancels Claims 1-6, 10-14, 18-22, 24-30, 34-38, and 40 without prejudice or disclaimer. To advance prosecution of this application, Applicant has responded to each notation by the Examiner. Applicant submits that all of the pending claims are allowable over the cited references. Applicant respectfully requests reconsideration and allowance of all pending claims.

# Election/Restriction

Applicant has cancelled Claims 3-5, 10-12, 19-22, 25-30, 35-38, and 40.

## Allowable Subject Matter

Applicant notes with appreciation the Examiner's statement that Claims 9, 14-15, 18, and 32-34 contain allowable subject matter and would be allowed if rewritten in independent form. Although Applicant believes all original claims are allowable, to expedite issuance of this application Applicant has rewritten independent Claims 7, 16, and 23 to include elements similar to those from Claims 14, 18, and 34, respectively. Accordingly, Applicant respectfully requests reconsideration and allowance of independent Claims 7, 16, and 34, and all claims depending therefrom.

### Interview Summary

Applicant's attorney conducted a telephonic conference with Examiner Henderson on June 13 and 15, 2005. Pursuant to M.P.E.P. §713.04, Applicant submits this summary of the telephonic interview to record Applicant's understanding of the substance of the interview. If Applicant's understanding is inaccurate, notice of such is appreciated.

During the interview, Applicant and the Examiner discussed independent Claim 1. To expedite issuance of this application, Applicant has cancelled independent Claim 1.

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Applicant understands that amended independent Claims 7, 16, and 23, and all claims depending therefrom are allowable over the cited references.

# Rejections Under 35 U.S.C. § 102

The Examiner rejects Claims 1 and 6 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent 5,777,305 by Smith et al. ("Smith"). The Examiner also rejects Claims 1-2, 6-8, 13, and 16-17 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent 5,503,434 by Gunn ("Gunn"). Although Applicant believes all original claims are allowable, to expedite issuance of this application Applicant has cancelled independent Claim 1 and has amended independent Claims 7 and 16 to include elements similar to allowable Claims 9, 14, and 18, respectively, rendering this rejection moot.

## Rejections Under 35 U.S.C. § 103(a)

The Examiner rejects Claims 23-24, 31, and 39 under 35 U.S.C. § 103(a) as being unpatentable over *Gunn* in view of *Rubincam*. Applicant has amended independent Claim 23 to include elements similar to allowable Claim 34 rendering this rejection moot.

Although, to expedite issuance of this application, Applicant has rewritten independent Claim 23 to include elements similar to those from Claim 34, Applicant also respectfully submits that the Examiner's proposed Gunn-Rubincam combination fails to support the obviousness rejections for at least two reasons. First, Gunn and Rubincam are not analogous art and thus may not properly be used to reject Appellant's claims. Second, even if Gunn and Rubincam could properly be considered analogous art, the required teaching, suggestion, or motivation to combine at least Gunn with Rubincam would still be lacking.

#### a. Gunn and Rubincam are non-analogous art

The proposed Gunn-Rubincam combination is improper because Rubincam is not analogous art. The Examiner must determine, with respect to the subject matter at issue, what is analogous art for purposes of the obviousness analysis. M.P.E.P. § 2141.01(a). "In order to rely on a reference as a basis for rejection of an applicant's invention, the reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned." In re Oetiker, 977 F.2d 1443,

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1446, 24 U.S.P.Q.2d 1443, 1445 (Fed. Cir. 1992). A reference in a different field may be reasonably pertinent only if "it is one which because of the matter with which it deals, logically would have commended itself to an inventor's attention when considering his problem." In re Clay, 966 F.2d 656, 659, 23 U.S.P.Q.2d 1058, 1061 (Fed. Cir. 1992). Since Rubincam fails to mention or even remotely allude to an identification card that is "operable to identify the cardholder and an issuer of the identification card," Rubincam is not in Appellant's field of endeavor and certainly would not have "commended itself" to Appellant when considering the problem addressed by Appellant's invention. Thus, Rubincam cannot properly be used as a reference against Appellant's claims and these rejections cannot properly be maintained.

# b. No suggestion or motivation to combine

Even assuming for the sake of argument that Gunn and Rubincam could be considered analogous art, which Applicant disputes, and even if it would have been technologically possible to in some way combine the teachings of Gunn and Rubincam, which Applicant also disputes, these rejections would still be improper because the Examiner has not shown the required teaching, suggestion, or motivation in Gunn, Rubincam, or knowledge generally available to those of ordinary skill in the art at the time of the invention to combine Gunn with Rubincam in the manner the Examiner proposes. The rejected claims are also allowable for at least this reason.

The M.P.E.P. sets forth a strict legal standard for finding obviousness based on a combination of references. According to the M.P.E.P., "Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge [that was] generally available to one of ordinary skill in the art" at the time of the invention. M.P.E.P. 2143.01. The "fact that references can be combined or modified does not render the resultant combination [or modification] obvious unless the prior art also suggests the desirability of the combination" or modification. *Id.* (emphasis in original).

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The governing Federal Circuit case law makes this strict legal standard even more clear. According to the Federal Circuit, "a showing of a suggestion, teaching, or motivation to combine . . . prior art references is an essential component of an obviousness holding." In re Sang-Su Lee, 277 F.3d 1338, 1343 (Fed. Cir. 2002) (quoting Brown & Williamson Tobacco Corp. v. Philip Morris Inc., 229 F.3d 1120, 1124-25 (Fed. Cir. 2000)). "Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved." In re Dembiczak, 175 F.3d 994, 999 (Fed. Cir. 1999). However, the "range of sources available . . . does not diminish the requirement for actual evidence." Id. In In re Dembiczak, the Federal Circuit reversed a finding of obviousness by the Board of Patent Appeals and Interferences, explaining that proper evidence of a teaching, suggestion, or motivation to combine is essential to avoid impermissible hindsight reconstruction of an applicant's invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999 (quoting W.L. Gore & Assoc., Inv. v. Garlock, Inc., 721 F.2d 1540, 1553 (Fed. Cir. 1983)) (emphasis added) (citations omitted).<sup>2</sup>

In the present case, the Examiner is improperly using the Applicant's disclosure as a blueprint for piecing together various elements of Gunn and Rubincam. As provided above, the mere fact that references can be combined does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. In re Mills, 916 F.2d 680 (Fed. Cir. 1990). Thus, the mere fact that the teachings of one reference would improve the teachings of another reference as asserted by the Examiner does not provide the

<sup>1</sup> Note M.P.E.P. 2145 X.C. ("The Federal Circuit has produced a number of decisions overturning obviousness

rejections due to a lack of suggestion in the prior art of the desirability of combining references.").

<sup>2</sup> See also In Re Jones, 958 F.2d 347, 351 (Fed. Cir. 1992) ("Conspicuously missing from this record is any evidence, other than the PTO's speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at" the claimed invention.).

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required suggestion to combine. The showing must be clear and particular. See, e.g., C.R. Bard v. M3 Sys., Inc., 48 U.S.P.Q.2d 1225, 1232 (Fed. Cir. 1998). Without such independent suggestion, the art is to be considered as merely inviting unguided and speculative experimentation which is not the standard with which obviousness is determined. Agmen Inc. v. Chugai Pharmaceutical Co., Ltd., 927 F.2d 1200 (Fed. Cir. 1991).

To reject Claim 23 under the proposed combination of Gunn-Rubincam, the Examiner has made conclusory "it would have been obvious" and "[a]n ordinary artisan would have been motivated" statements. For example, the Examiner has merely stated that "it would have been obvious" to make the proposed combination "for providing an insert having a picture which can be interchangeable." See e.g., Office Action at 6. The Examiner has presented no evidence, however, that suggests or motivates the combination. It is improper for the Examiner to use hindsight having read the Applicant's disclosure to arrive at an obviousness rejection. In re Fine, 837 F.2d 1071, 1075 (Fed. Cir. 1988).

Consequently, a *prima facte* case of obviousness cannot be maintained with respect to Claim 23, as the Examiner has not show the requisite proof necessary to establish a suggestion or motivation to combine the cited references.

For at least these reasons, Applicant submits that *Gunn* and *Rubincam*, taken alone or in combination, fail to teach or suggest amended Claim 23. Applicant respectfully requests withdrawal of the rejection and full allowance of amended independent Claim 23 and all claims depending therefrom.

#### No Waiver

All of Applicant's arguments and amendments are without prejudice or disclaimer. Additionally, Applicant has merely discussed example distinctions from the *Gunn* and *Rubincam* references. Other distinctions may exist, and Applicant reserves the right to discuss these additional distinctions in a later Response or on Appeal, if appropriate. By not responding to additional statements made by the Examiner, Applicant does not acquiesce to

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the Examiner's additional statements. The example distinctions discussed by Applicant are sufficient to overcome the anticipation and obviousness rejections.

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# Conclusion

Applicant has made an earnest attempt to place the Application in condition for allowance. Because this Amendment places all claims in condition for allowance or at least in a better condition for appeal, Applicant respectfully requests that this Amendment be entered.

If the Examiner feels that a telephone conference or an interview would advance prosecution of the Application in any manner, the undersigned attorney for Applicant stands ready to conduct such a conference at the convenience of the Examiner.

Applicant authorizes the Commissioner to charge \$110.00 for the one-month extension of time to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P. Applicant believes no other fees are due; however, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

Respectfully submitted,

BAKER BOTTS L.L.P., Attorneys for Applicants

Jay B. Johnson Reg. No. 38,193

Date:

6/16/05

Customer PTO ID No. 05073